

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN**

UNITED STATES OF AMERICA,

CIVIL ACTION NO.:

Plaintiff,

HONORABLE:

vs.

DONALD E. BELL

Defendant,

COMPLAINT

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE:

The United States of America, plaintiff, alleges that:

Jurisdiction

1. This court has jurisdiction over the subject matter of this action pursuant to Article III, Section 2, U.S. Constitution and 28 U.S.C. § 1345.

Venue

2. The defendant is a resident of Wayne County, Michigan within the jurisdiction of this Court and may be served with service of process at 14126 Birwood St. Detroit, MI 48238.

The Debt

3. The debt owed to the United States of America is as follows:

A. Current Principal (<i>after application of all prior payments, credits, and offsets</i>)	\$2,676.73
B. Current Capitalized Interest Balance and Accrued Interest	\$4,333.20
C. Administrative Fee, Costs, Penalties	\$0.00
D. Credits previously applied (<i>Debtor payments, credits, and offsets</i>)	\$904.69
Total Owed	\$7,009.93

The Certificate of Indebtedness, attached as Exhibit "A", shows the total owed excluding attorney's fees and CIF charges. The principal balance and interest balance shown on the Certificate of Indebtedness is correct as the date of the Certificate of Indebtedness after application of all prior payments, credits and offsets. Prejudgment interest accrues at the rate of 9.00% per annum.

Failure to Pay

4. Demand has been made upon the defendant for payment of the indebtedness, and the defendant has neglected and refused to pay the same.

WHEREFORE, USA prays for judgment:

- A. For the sums set forth in paragraph 3 above, plus prejudgment interest through the date of judgment, all administrative costs allowed by law, and post-judgment interest pursuant to 28 U.S.C. § 1961 and that interest on the judgment be at the legal rate until paid in full;
- B. For attorney's fees to the extent allowed by law;
- C. Filing fee of \$350.00 as premittted by 28 U.S.C. § 2412(a)(2); and,
- D. For such other relief which the Court deems proper.

Respectfully submitted,

By: /s/ Craig S. Schoenherr, Sr.
CRAIG S. SCHOENHERR, SR. (P32245)
Attorney for Plaintiff
O'Reilly Rancilio PC
12900 Hall Rd Ste 350
Sterling Heights, MI 48313
Phone: (586) 726-1000
Fax: (586) 726-1560
cschoenherr@orlaw.com

**U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA**

CERTIFICATE OF INDEBTEDNESS #1 OF 1

Donald E. Bell
14126 Birwood St.
Detroit, MI 48238-2206
Account No. XXXXX8597

I certify that U.S. Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 07/21/11.

On or about 03/18/83 and 05/23/84, the borrower executed promissory note(s) to secure loan(s) of \$1,500.00 and \$1,000.00 from Gleaner Life Insurance Society, Adrian, MI. This loan was disbursed for \$1,500.00 on 03/22/83 and \$1,000.00 on 05/22/84, at 9.00 percent interest per annum. The loan obligation was guaranteed by Michigan Higher Education Assistance Authority, and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 C.F.R. Part 682). The holder demanded payment according to the terms of the note, and credited \$0.00 to the outstanding principal owed on the loan. The borrower defaulted on the obligation on 11/25/87, and the holder filed a claim on the loan guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,676.73 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. Pursuant to 34 C.F.R. § 682.410(b)(4), once the guarantor pays on a default claim, the entire amount paid becomes due to the guarantor as principal. The guarantor attempted to collect this debt from the borrower. The guarantor was unable to collect the full amount due, and on 04/06/95, assigned its right and title to the loan to the Department.

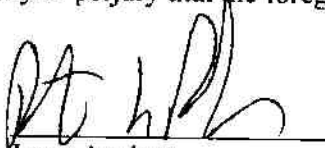
Since assignment of the loan, the Department has credited a total of \$904.69 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the borrower now owes the United States the following:

Principal:	\$2,676.73
Interest:	\$4,333.20
 Total debt as of 07/21/11:	 \$7,009.93

Interest accrues on the principal shown here at the rate of \$0.66 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 8/11/11


Loan Analyst
Litigation Support

**PETER LAROCHE
LOAN ANALYST**

EXHIBIT

A

BEST COPY AVAILABLE
AT TIME OF IMAGING

FD-4516 (Rev. 8-78)

0 \$ MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY GUARANTEED STUDENT LOAN

INTERIM NOTE

Date: March 18, 1983

On July 1, 1985 or on such accelerated or extended maturity date as provided for herein, for value received the undersigned promises to pay to **GLENNER LIFE INSURANCE SOCIETY**

hereinafter called the Holder or order the principal sum of \$ **1500.00** together with interest thereon from the date of disbursement of this loan at the rate of **9** % per annum. The undersigned hereinafter called the Maker, shall pay such principal and interest at the office of the Holder **Adrian, Michigan 49221**

or at such other place as the Holder hereof shall designate to the Maker in writing in lawful money of the United States of America.

ANNUAL PERCENTAGE RATE		Amount Financed	Late Charge:
The cost of your credit as a yearly sum.		The amount of credit provided to you.	If a payment is late, you may be charged \$5.00 or 5% of the payment, whichever is less.
For a repayment	During repayment		Prepayment:
			If you pay off early, you
			<input type="checkbox"/> may <input checked="" type="checkbox"/> will not have to pay a penalty.
			<input type="checkbox"/> may <input checked="" type="checkbox"/> will not be credited to a refund of part of the finance charge.
See the prospectus note for any additional information about prepayment, default, any required prepayment in full before the scheduled date, and prepayment rewards and penalties.			
7.79 %	9.00 %	\$ 1,410.00	

ITEMIZATION OF THE AMOUNT FINANCED

Loan Amount \$ **1500.00**
Less: Prepaid Finance Charge \$ **90.00**
Includes:
Insurance Premium \$ **15.00**
Origination Fee \$ **75.00**
(\$ **5** % of Loan Amount)
Equals Amount Financed \$ **1,410.00**

Disbursement Schedule	Estimated Date of Disbursement	Loan Amount	Prepaid Finance Charge		Amount Financed
			Insurance Fee	Origination Fee	
First payment	3/18/83	1500.00	15.00	75.00	1410.00
Second					
Third					

ACKNOWLEDGEMENT

The Maker acknowledges having read and understood this Interim Note, including the above disclosure statement and the rights and responsibilities on the reverse side, and acknowledges receipt of an exact copy of this Note at the time of execution of the Note. Principal amount of the loan, plus interest if any, may be paid at maturity or prior to maturity at the option of the Maker by rendering payment in full or by arranging with the Holder of the Note a monthly repayment schedule. The repayment schedule shall call for an interest charge which does not exceed the interest charge on this Note and any assignee on this Note is equally liable during the repayment period.

The Maker acknowledges, if Maker and Holder agree, an installment repayment schedule may be executed calling for repayment to begin earlier than the maturity date of this Note and for payments which exceed the \$400 minimum or five year minimum term in accordance with such agreement the grace period may not be resumed; however, the Maker may at any time prepay the loan without penalty. The Maker may have a total Note term of at least five years but not more than ten years.

Prepaid Finance Charge: The Maker agrees to pay the Holder, in addition to interest on the principal amount of the loan, a prepaid finance charge. The Holder is required to pay to the Michigan Guaranteed Student Loan Program in order to provide insurance coverage on this Note, and such premium is immediately due and payable. The Maker further agrees to pay an Origination Fee, authorized by Federal Law. The amount of insurance premium and Origination Fee, calculated on the amount of loan reasonably expected to be disbursed, shall be paid at the time of the first disbursement; however, at the Holder's option the full amount of the Origination Fee may be charged as the sum of the first installment or the balance of the Origination Fee may be proportionately to the amount of each installment if the loan is disbursed in multiple installments. The insurance premium is refundable only if the loan check is returned to the Holder unattached. The Origination Fee is refundable if the loan check is returned to the Holder unattached or if the loan is disbursed in multiple installments and the full amount of the Origination Fee was charged on the first payment. The insurance premium and the Origination Fee shall be refunded if subsequent installments are not made.

Acceleration: The Maker agrees (1) if he or she reduces his or her course of study to less than half time status or (2) transfers to a school not participating under terms of the Michigan Guaranteed Student Loan Program, that the maturity date of this Note may be accelerated. The accelerated maturity date on a 7% loan shall be not less than nine months nor more than twelve months after the date of the occurrence of either event of acceleration. The accelerated maturity date on a loan with an interest rate greater than 7% shall be six months after the date of the occurrence of either event of acceleration.

Extension: The Maker further agrees that if the expected completion of studies date changes during the period of this loan and that if a period of less than half time enrollment occurs at a participating school or non-attendance at any school or enrollment at a non-participating school does not exceed the maximum grace period, the maturity date of this Note may be extended. The new grace period for loans evidenced by a Note at a 7% rate of interest may not be less than nine months nor more than twelve months following the new completion of studies date. The new grace period for loans evidenced by a Note at a rate greater than 7% shall be six months following the new completion of studies date.

Deferral: Once the maturity date of this Note occurs, repayment is required to begin, unless the Maker is unable to apply and receive a deferment of payment as authorized by Federal Law. Conditions and requirements for deferment are enumerated on the reverse side of this Note and are considered as part of this Note.

Holder: The Maker promises to (1) use the proceeds of the loan evidenced by this note solely to pay educational expenses attendant to his or her attendance at the participating school at which the Maker is accepted for enrollment or is already enrolled on this note and (2) send written notice to the Holder and to the Michigan Guaranteed Student Loan Program of any changes occurring in enrollment status, home address or the occurrence of any event which would cause the Holder to declare this note as default.

If the Maker dies or becomes permanently and totally disabled, the indebtedness shall be paid in full to the Holder by the Michigan Guaranteed Student Loan Program on behalf of the Maker. If the Maker shall default on this note by reason of delinquency, the unpaid balance shall, at the option of the Holder, become immediately due and payable without notice on demand and if the Holder shall incur any extra costs or expenses in connection with collections thereof, there shall additionally come due from the Maker all reasonable expenses and attorney fees and the Holder may make payment for all such sums. In the event of default the Holder may report the default to a credit bureau. The Michigan Guaranteed Student Loan Program may refer this loan to a collection agency. If this loan is referred to a collection agency, subject to the Fair Debt Collection Practices Act, the Maker will be subject to payment of collection costs which do not exceed 25% of the unpaid principal and accrued interest.

The Maker acknowledges that he or she is legally obligated, under Section 8, Act No. 77 of the Public Acts of 1960, for the payment of the note even though he or she may be under eighteen (18) years of age. No delay on the part of the Holder or Guarantor hereon in exercising any of its options, powers, or rights or partial or single exercise thereof, shall constitute a waiver of any of such powers, options, or rights. The borrower rights, as listed on the reverse side, pertain to this loan and are incorporated as part of this Note.

CO-SIGNER SIGNATURE *Blanche V. Smith*

MAKER SIGNATURE *Donald E. Bell*

TYPED NAME **Blanche Vonciel Smith**

TYPED NAME **Donald E. Bell**

ADDRESS **19761 Appoline**

ADDRESS **14135 Birchwood**

CITY **Detroit** STATE **MI** ZIP **48235**

CITY **Detroit** STATE **MI** ZIP **48238**

SOCIAL SECURITY NO. **[REDACTED] - 181717**

SOCIAL SECURITY NO. **[REDACTED] - 181877**

NOTE ENDORSEMENT BY MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY

The undersigned, as endorser, guarantees payment of 100 percent of the unpaid principal balance to the Holder in the event the Maker permits this note to become in default as defined by regulations of the Michigan Higher Education Assistance Authority. In the event of default, the Maker's obligation to the Holder is transferred to the Michigan Higher Education Assistance Authority.

MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY

Authorized Official *Patricia Cummings*

LENDER COPY

7. A deferment, not in excess of three years may be granted if the doctor is:

- a. In the Armed Forces of the United States.
- b. In full-time service as a volunteer in a program under Title I of the Domestic Volunteer Service Act of 1973.
- c. In service as a full-time volunteer for an organization which provides service comparable to the Peace Corps or VISTA and which is exempt from taxation under Section 501(c)(3) of the IRS Code of 1954.
- d. In service as an officer in the Chaplaincy Corps of the Public Health Service.
- e. Temporarily severely disabled as established by a written affidavit of a qualified physician or during which the doctor is unable to perform substantially his service as a doctor required by a license or to go abroad.

2. A defendant, not in excess of 24 months, may be granted if the leader is serving an internship. The successful completion of which is required in order to receive professional recognition required to begin professional practice.

2. A deferment, not in excess of 12 months, may be granted if the holder is seeking and is unable to find full-time employment. The employment deferment may be stated as more than one time.

4. A defendant may be granted for any period during which the father is:
a. Pursuing a full-time course of study at a government school.

4. Pursuing a course of study under a graduate fellowship program approved by the Secretary of the United States Education Department.

Read this statement thoroughly. A borrowed loan is a serious legal obligation. Make sure that you understand your responsibilities and the options which are available to you. When you sign this form, you certify that you understand your rights in the program and your responsibilities and that you agree to honor them. The yearly and cumulative maximum loan amounts as established by the Veterans Guaranteed Student Loan Program are:

These items have been included by government agencies and are provided for under Title IV of the Higher Education Act of 1966, as amended, i.e., loans guaranteed by either state or private non-profit guarantee agencies, such as United Student Aid Fund, Inc. or the Federally Insured Student Loan Program. Your lender may have been unable to obtain these items from those sources authorized by the National Guaranteed Student Loan Program. If this is the case, your lender must provide you with a copy of the lender's loss form.

1. What is the purpose of the study?

- 1 That my lower most spouse use with a rate of the graduated Prerequisite Note unless the loan is disbursed. The note will be returned to me when the loan is disbursed. The note will be returned to me when the loan is disbursed. The note will be returned to me when the loan is disbursed.
- 2 That if I fail to make the Prerequisite Note's 7% interest rate or less on the date I sign the Prerequisite Note for the loan or any subsequent time, the note will be returned to me when the loan is disbursed. The note will be returned to me when the loan is disbursed. The note will be returned to me when the loan is disbursed.
- 3 If I fail to first make payment or have an outstanding loan, at applicable rate of interest higher than 7% or less in amount of 7% the applicable rate of interest will be 7% or less, unless the Prerequisite Note has guaranteed that the rate to be charged is 7% or less. The applicable rate to be charged on the loan will be 7% or less, unless the Prerequisite Note has guaranteed that the rate to be charged is 7% or less. The applicable rate to be charged on the loan will be 7% or less, unless the Prerequisite Note has guaranteed that the rate to be charged is 7% or less.
- 4 That the lender may require an additional fee for the Prerequisite Note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 5 That that loan must be paid within 15 years of the date of the Prerequisite Note, with a remaining balance of the loan that is not more than 10% of the original balance. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 6 If I fail to make a payment for a period of more than four years, my Prerequisite Note will be returned to me by the lender at the time I return the note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 7 If, during the grace period, I request a return of the Prerequisite Note, the lender may grant me a partial payment. I may then choose to have the Prerequisite Note returned to me at any time.
- 8 The lender shall return a Prerequisite Note to me if I fail to make a payment of \$50.00 or more. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 9 Any partial payment received by the lender shall not be applied to the Prerequisite Note of the 15 year period but to the 10 year period. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 10 That I have a right to receive a refund of any portion of the loan of any loan without penalty, i.e., no penalty, interest or charges will be charged to me, if the lender has provided me with a Prerequisite Note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 11 That the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 12 That if I fail to make a payment, I have a right to delay payment on the loan at the time I return the note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 13 That the Michigan Government Student Loan Program will, if necessary, be granted, unless otherwise determined, I understand that the Prerequisite Note will be returned to me by the lender at the time I return the note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 14 That any portion of the Prerequisite Note will not be applied to the Prerequisite Note of the 15 year period but to the 10 year period. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 15 That the loan shall, with no penalty, interest or charges, be returned to me by the lender at the time I return the note. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 16 That I understand that the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 17 That I understand that the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 18 That I understand that the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 19 That I understand that the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.
- 20 That I understand that the Prerequisite Note will pay the interest that accrued on the loan during the Prerequisite Note, during any Prerequisite Note period, 15 years after the Prerequisite Note is returned to me. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee. The lender, if required, shall send me a letter indicating the amount of the fee.

Unternehmen:

- That I shall use only in obtaining a contract - Each school must provide a memorandum contract with information about the school and the program. I understand that neither the United States Government nor the Michigan Government Student Loan Program selects for the quality of a school or its program.
2. That I shall report the loan under the student loan program in accordance with the terms of the repayment schedule which my lender and I have agreed, without exception, immediately report any change which affects my own ability to both the lender and the Michigan Government Student Loan Program. Changes which must be reported:
- a) If I fail to enroll for the period for which the loan was awarded.
 - b) If transfer to another school.
 - c) If withdrawal from school, except less than half-way or graduate school then discontinued.
 - d) If any permanent reduction of my personal earnings changes.
 - e) If my name changes for marriage, divorce or marriage.
 - f) If my co-income decreases and cannot live more than \$100 per year.
3. I am fully aware of the consequences of non-payment. I must obtain the necessary forms to provide the delinquent payment and if delinquent payment is made to the Michigan Government Student Loan Program when the delinquent amount is not paid.
4. I must use the loan proceeds for tuition and other reasonable necessary expenses - including room and board, fees, books, supplies and transportation. I understand that I must use the loan proceeds for the purpose indicated on the loan application.
- RECEIVED
JAN 23 1963
MICHIGAN LIFE
INSURANCE SOCIETY

RECEIVED
MAY 23 1963
GLASSBORO LIFE
INSURANCE SOCIETY

PA-4510 (7/83)

0 3 0 MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY
GUARANTEED STUDENT LOAN

INTERIM NOTE

Date: May 23, 1984

Bell

BEST COPY AVAILABLE
AT TIME OF IMAGINGOn July 1, 1984, or on such accelerated or extended maturity date as provided for herein, for value of the undersigned promises to pay to CLEANER LIFE INSURANCE SOCIETYhereinafter called the Holder or order the principal sum of \$ 1,000.00 together with interest thereon from the date of disbursement of this loan at the rate of 9 % per annum. The undersigned, hereinafter called the Maker, shall pay such principal and interest at the office of the Holder Adrian, MI 49221

or at such other place as the Holder hereof shall designate to the Maker in writing in lawful money of the United States of America.

ANNUAL INTEREST RATE		COSTS OF LOAN		COMPLETE: MULTIPLE DISBURSEMENT ONLY					
The cost of your credit as a yearly rate		20.00% Premium 11% per \$100.00 Origination Fee 2% of loan amount		Disbursement Schedule	Estimated Date of Disbursement	Loan Amount	Prepaid Finance Charge		
Paid to Maturity	During repayment			First	11.81		Insurance Premium	Origination Fee	Amort Cost
9.00 %	9.00 %			Second					
				Third					
				TOTALS					

ACKNOWLEDGEMENT

The Maker acknowledges having read and understood this interim Note, including the above disclosure statement, and the rights and responsibilities on the reverse side, and acknowledges receipt of an exact copy of this Note of the Michigan Higher Education Assistance Authority. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein.

The Maker acknowledges, if Maker and Holder agree, an installment repayment schedule may be agreed upon. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein. The Maker agrees to pay the loan as provided herein, and to pay the interest on the loan as provided herein.

Costs of Loan: The Maker agrees to pay the Holder, in addition to interest and principal, the following costs: (1) the Origination Fee, which is equal to the premium that the Holder is required to pay to the Michigan Guaranteed Student Loan Program in order to have the loan insured; (2) the Insurance Premium, which is equal to the premium that the Holder is required to pay to the Michigan Guaranteed Student Loan Program in order to have the loan insured; (3) the Origination Fee, which is equal to the premium that the Holder is required to pay to the Michigan Guaranteed Student Loan Program in order to have the loan insured.

If the loan is disbursed in multiple installments, the amount of Insurance Premium shall be calculated on the amount of loan disbursed by the Maker at each disbursement. The amount of the Origination Fee may at the Holder's option be calculated either on the full amount of the loan expected to be disbursed or on the amount of loan disbursed at each disbursement.

The Insurance Premium and the Origination Fee are refundable only if the loan is repaid in full by the Holder. If the loan is repaid in full by the Holder, the Insurance Premium and the Origination Fee shall be refunded. If the loan is repaid in full by the Holder, the Insurance Premium and the Origination Fee shall be refunded.

Loan Charge: If the Holder presents the Maker with a repayment schedule upon maturity of this Note, the Maker agrees to pay a late charge on each installment payment for a period exceeding ten days in an amount not exceeding 5% of the installment payment or \$1.00, whichever is less. This provision shall not be deemed to extend the due date or to grant any period of grace.

Acceleration: The Maker agrees: (1) if he or she reduces his or her course of study to less than half time status or, (2) transfers to a school not participating under terms of the Michigan Guaranteed Student Loan Program, that the maturity date of this Note is accelerated. The accelerated maturity date is a 7% loan shall be not less than one month nor more than twelve months after the date of the occurrence of either event of acceleration. The accelerated maturity date on a loan with an interest rate greater than 7% shall be six months after the date of the occurrence of either event of acceleration.

Extension: The Maker further agrees that if the expected completion of studies date changes during the period of this loan and that if a period of less than half time enrollment status at a participating school or non-attendance at any school or enrollment at a non-participating school does not exceed the maximum grace period, the maturity date of this Note may be extended. The new grace period for loans evidenced by a Note at a 7% rate of interest may not be less than nine months nor more than twelve months following the new completion of studies date. The new grace period for loans evidenced by a Note at a rate greater than 7% shall be six months following the new completion of studies date.

Default: Once the maturity date of this Note occurs, repayment is required to begin, unless the Maker is eligible and applies and receives a deferment of payments as authorized by Federal Law. Conditions and requirements for deferment are enumerated on the reverse side of this Note and are considered as part of this Note.

Maker: The Maker promises to use the proceeds of the loan evidenced by this note solely to pay educational expenses attendant to his or her attendance at the participating school at which the Maker is accepted for enrollment or is already enrolled in the date and (2) send written notice to the Holder and to the Michigan Guaranteed Student Loan Program of any changes occurring in enrollment status, lower address or the occurrence of any event which would cause the Holder to declare this note in default.

If the Maker dies or becomes permanently and totally disabled, the indebtedness shall be paid in full to the Holder by the Michigan Guaranteed Student Loan Program on behalf of the Maker. If the Maker shall default on this note by reason of delinquency, the unpaid balance shall, at the option of the Holder, become immediately due and payable without notice on demand and if the Holder shall incur any extra costs or expenses in connection with collection thereof, there shall additionally come due from the Maker all reasonable expenses and attorney fees and the Holder may take judgment for all such sums. In the event of default the Holder may report the default to a credit bureau. The Michigan Guaranteed Student Loan Program may refer to payment of collection costs which do not exceed 25% of the unpaid principal and accrued interest.

The Maker acknowledges that he or she is legally obligated, under Section 6, Act No. 77 of the Public Acts of 1960, for the payment of the loan even though he or she may be under eighteen (18) years of age. No debt on the part of the Holder or Guarantor hereof in exercising any of its options, powers, or rights or partial or single exercise thereof, shall constitute a waiver of any of such powers, options, or rights.

The borrower's rights, as listed on the reverse side, pertain to this loan and are incorporated as part of this Note.

CO-SIGNED SIGNATURE Blanche V. SmithMAKER SIGNATURE Donald E. BellTYPED NAME Blanche Vonciel SmithTYPED NAME DONALD E. BELLADDRESS 19761 AppolineADDRESS 14135 BirkwoodCITY DetroitSTATE MIZIP 48235CITY DetroitSTATE MIZIP 48238NAT'L SECURITY NO. 1-181877SOCIAL SECURITY NO. 1-181877

NOTE ENDORSEMENT BY MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY

The undersigned, as endorser, guarantees payment of 100 percent of the unpaid principal balance to the Holder in the event the Maker permits this note to become in default as defined by regulations of the Michigan Higher Education Assistance Authority. In the event of default, the Maker's obligation to the Holder is transferred to the Michigan Higher Education Assistance Authority.

MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY

Authorized Official Patrick Cunningham

LENDER COPY

Payments may be deferred and interest accrued until the holder makes a subsequent election and request for payment by submitting appropriate documentation of the deferrable situation on a timely basis. If the holder was eligible for a deferrable situation, such election shall continue during the deferral period.

- MICHIGAN GUARANTEED STUDENT LOAN PROGRAM**
Statement of Student Borrower Rights and Responsibilities

Category of Borrower	Loan Limit Per Academic Year	Aggregated Loan Limit
Undergraduate or Equivalent	\$2,800	
Graduate or Professional	\$5,000	\$72,300

BORROWER'S RIGHTS

- ### CONTRACTOR'S RESPONSIBILITIES

• 15-222/23/24/25

- [illegible]